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Ansaldo STS wins 30 million USD new contracts in China

- **Contracts signed with Insigma for design and implementation of CBTC signaling systems for Shenyang Metro Line 2 and Chengdu Metro Line1**

Ansaldo STS (STS.MI), through its subsidiary Union Switch & Signal International, signed subcontracts for two new Communications Based Train Control (CBTC) projects as part of its strategic Alliance Agreement with Zhejiang Zheda INSIGMA Group Company Ltd. (Insigma), based in Hangzhou, China.

The contracts have a combined value of 30 million USD for Ansaldo STS.

The new projects are for the design and implementation of CBTC signaling systems for Shenyang Metro Company's Line 2 and Chengdu Metro Company's Line1. Together these lines add a total of 40 km (24.85 miles) in new mass transit service. Ansaldo STS and Insigma have been working together on Shenyang Line 1, a 29 km (18 mile) line since 2006.

Insigma has long been known for its leadership in IT technology. Within this contract, they will be responsible for the major portion of the CBTC hardware acquisition and installation, as well as the DCS (Data Communication System) between the wayside and carborne equipment.

Under their alliance, the two companies provide CBTC signaling systems to mass transit agencies throughout China. Ansaldo STS serves as the technology supplier and through a license agreement, enables Insigma, the prime contractor, to perform a great portion of the work associated with the delivery of automatic train control systems to customers in China.

By 2013, China plans to invest nearly 50 billion USD to construct about 1,000 km (about 621 miles) of metro lines in the main Chinese towns. World Railway Market Weekly estimates that before 2020, 5,000 km (3,106 miles) of new metro lines may be built in the main 25 towns of China. The value of the signaling systems alone is

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estimated at 400 million USD over the next 2 years, with an additional projected 1 billion USD by 2011.

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